



Work & Save

The “Art” of Financial Planning

Reimagine
Realizing
Reaching
Richer
Rewarding
Romance
Responsible
Rock 'n' Roll
Relaxing
Reforming
Rebels



"If we take a late retirement and an early death, we'll just squeak by."

Work and Save: Promoting Self Reliance

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A self-sufficient retirement is no longer a reality for far too many Americans. Instead, millions of people face the risk of running out of savings after they retire.

More than **55 million American workers** do not have a way to save for retirement at work, leaving them more likely to rely on Social Security as their only source of retirement income.

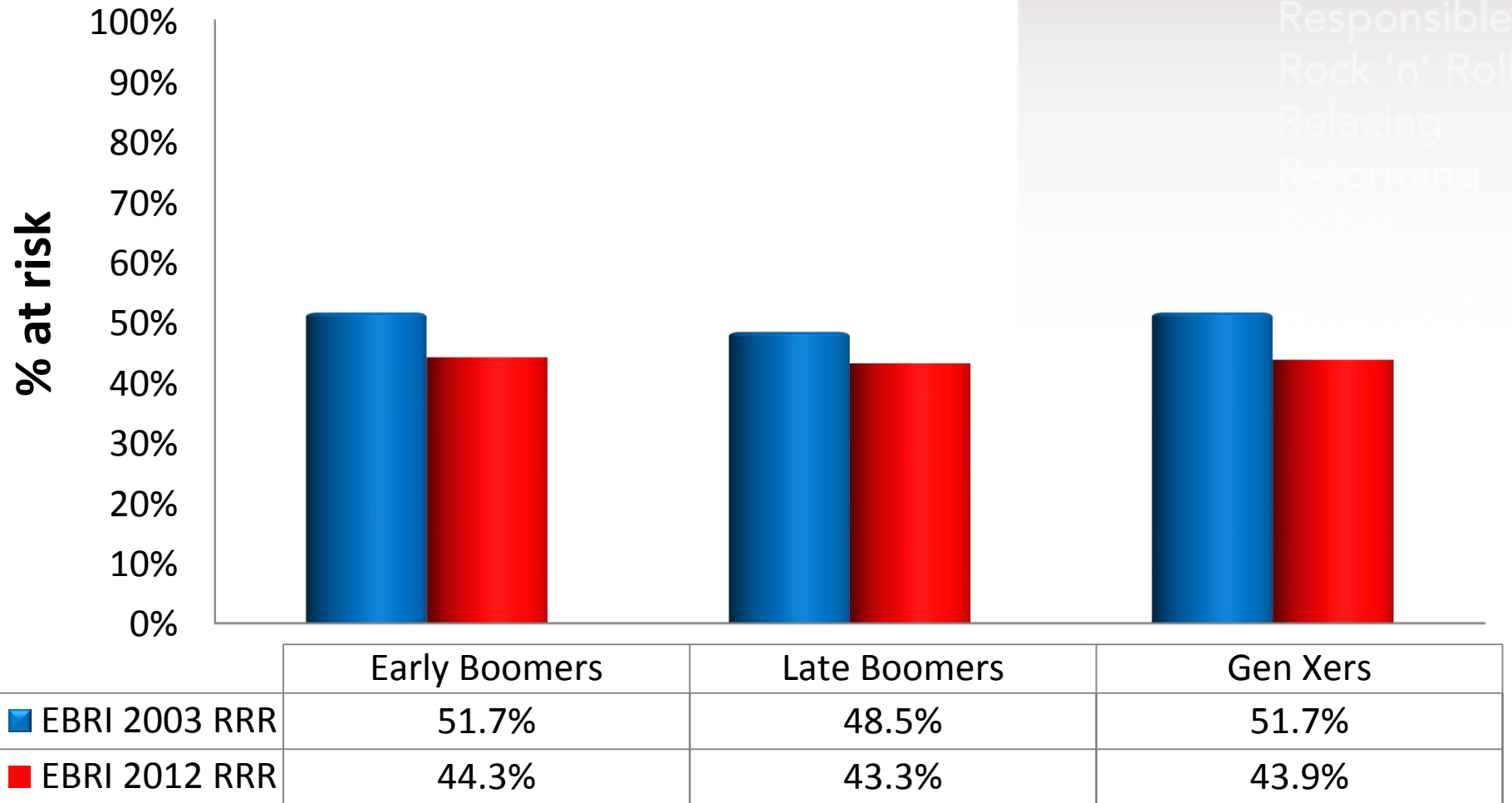
That over reliance **leaves taxpayers on the hook** to ensure that retirees have their basic needs met through safety net programs.

But, it doesn't have to be that way...

Work and Save

- **Promotes Self-Reliance**
- **Voluntary**
- **Portable**
- **Exclusively for Private Sector Workers**
- **No Ongoing Costs or Risks for the State**

Half of Boomers & Gen Xers At Risk of Financially Insecure Retirement

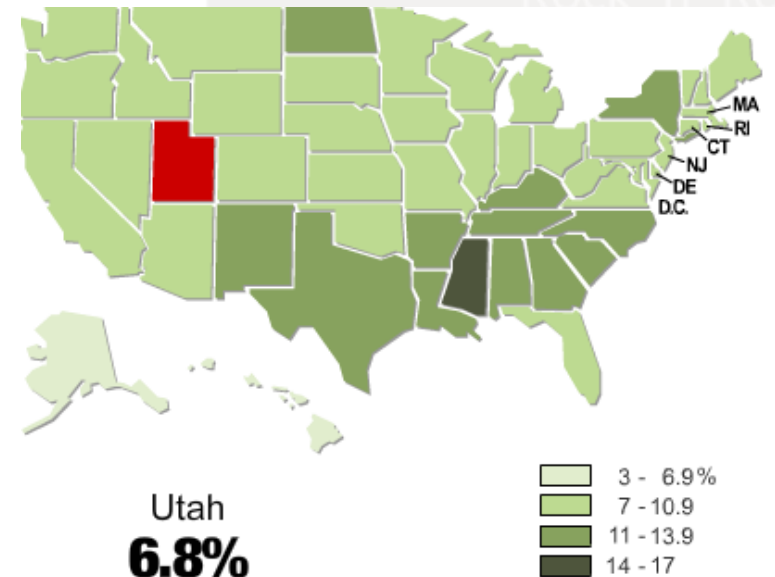


Source: EBRI Retirement Readiness Rating™: 2003 vs. 2012

Let's Get Local: Utahns' Financial Security Problem

- More than **244,000** Utah residents received Social Security in 2012.
- The average annual Social Security benefit in Utah is **\$15,100**.
- Census data show about 7 percent, or **19,924**, of older Utahns living in poverty. Without Social Security income, an additional 35 percent of older Utahns, or **94,346 people**, would fall into poverty.
- Low- and middle-income older adults in Utah are even more reliant on Social Security's earned benefit, typically receiving **72 percent** of their family income from Social Security.

Utah Seniors in Poverty



Source: U.S. Census Bureau, 2008 American Community Survey

Let's Get Local: Utahns' Financial Security Problem

Average 401(k) Account Balance in Utah

2000	2007	2012
\$19,200	\$26,334	\$26,756

- Utahns' defined contribution account balances have remained stagnant since the recession.

Workplace Retirement Plan Participation Rate in Utah

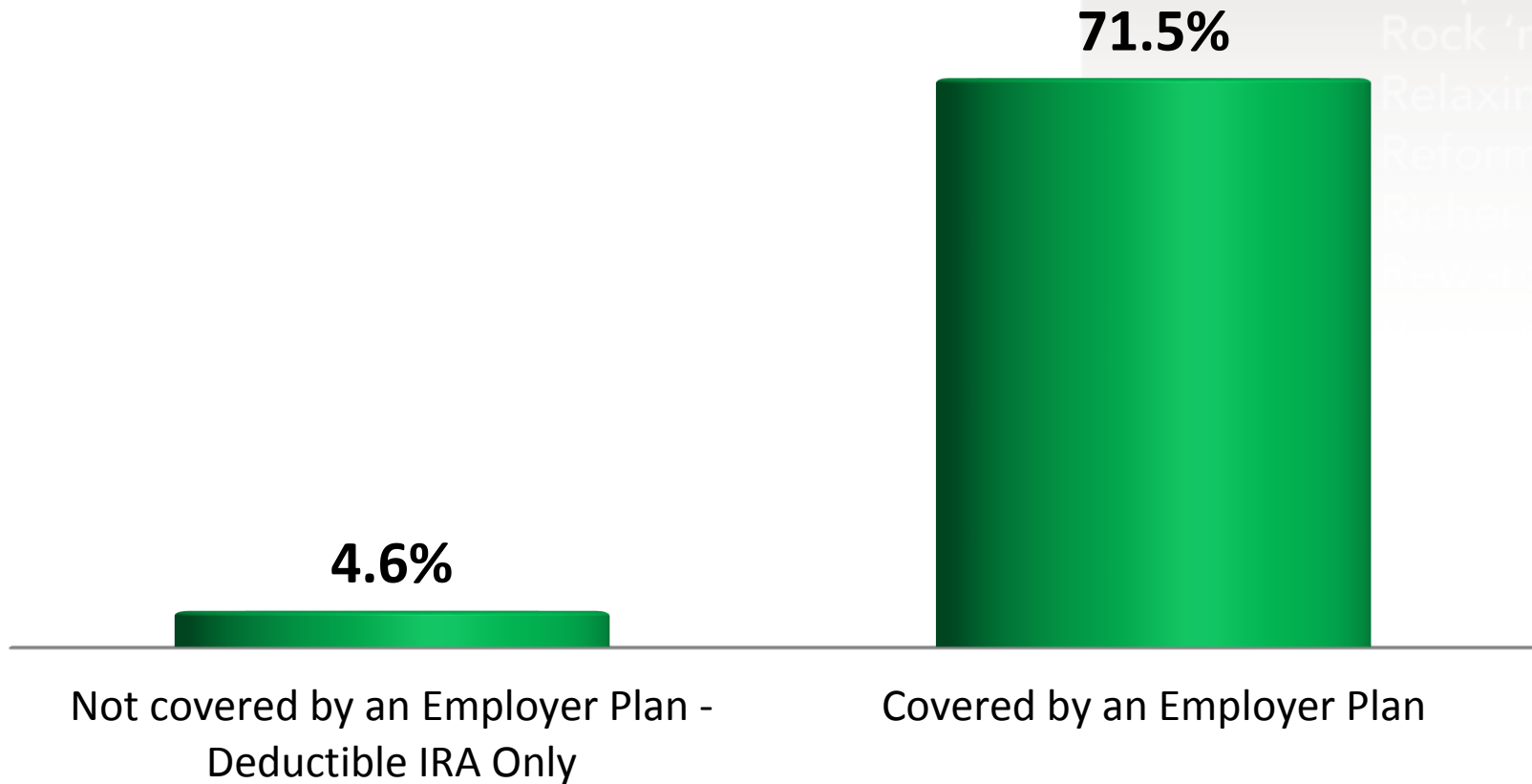
2000	2007	2012
50.90%	46.27%	43.39%

- Access to workplace retirement plans has decreased steadily over time.

50.3% of Utahns currently don't have a way to save for retirement at work.
That's **500,000** people!

15x More Likely to Save if Employer Offers Plan

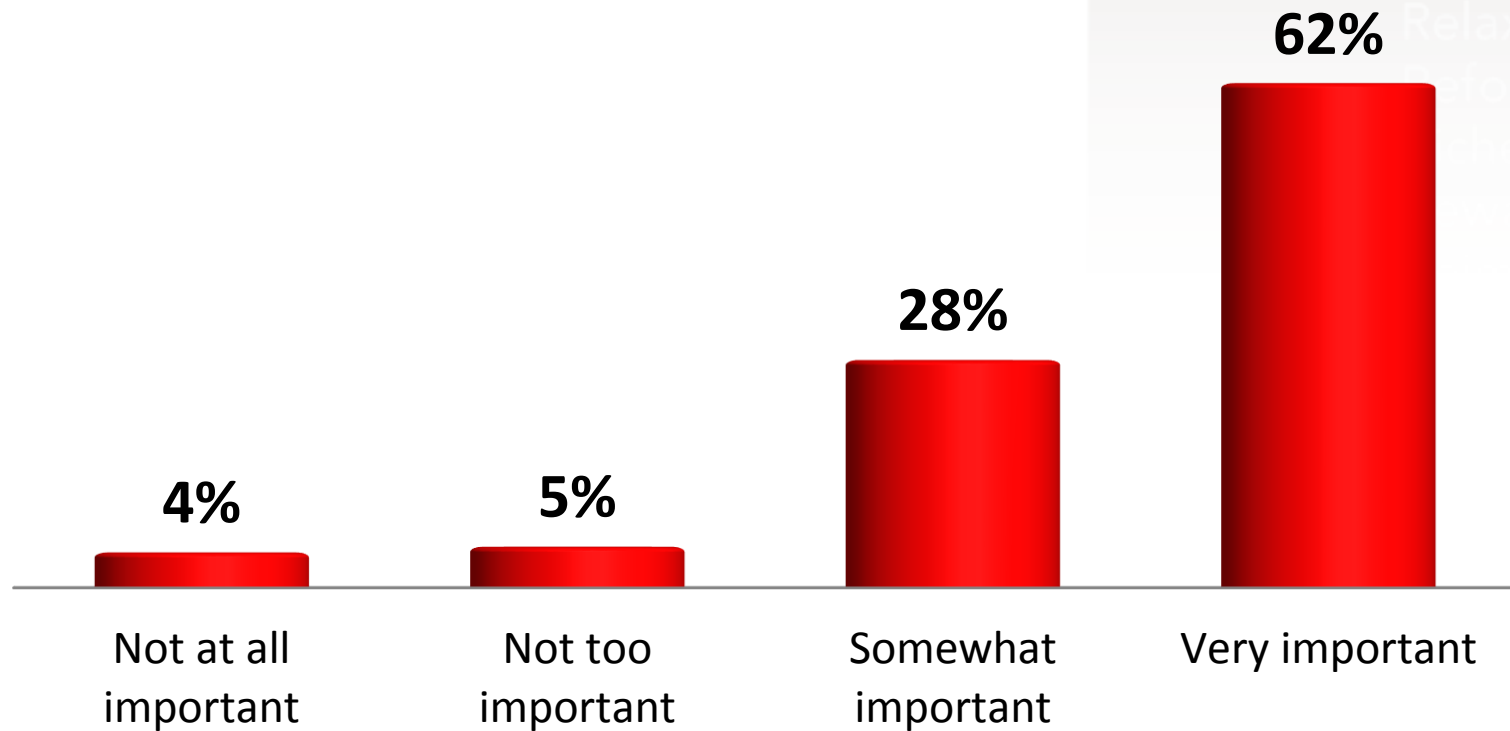
Participation Rates



Data compiled by AARP's Public Policy Institute from unpublished estimates from the Employee Benefit Research Institute of the 2004 Survey of income and Program Participation Wave 7 Topical Module (2006 data). See also Brookings' Retirement Security Project and WhiteHouse.gov

Payroll Deduction Drastically Increases Participation

Percentage of Respondents who say Payroll Deduction Is
Important to Helping them Save



Source: EBRI 2011

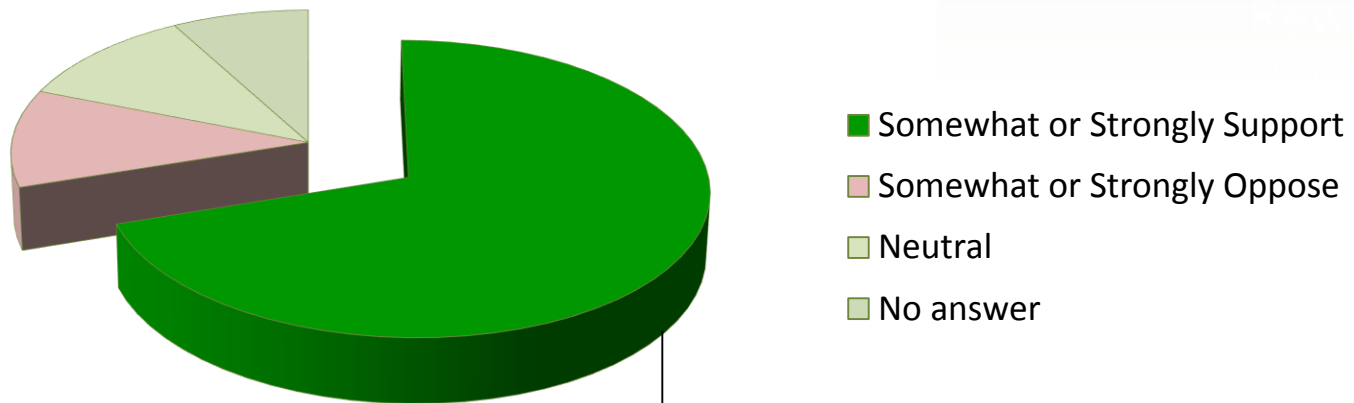
Work and Save Basics

- Promotes Financial Freedom
- Gives Americans a Choice
- Gives Employees Control
- Saves Taxpayer Dollars
- Self-sustaining Plan



Tremendous Support Amongst Voters

AARP WV Survey: If you knew that this plan would work very similar to a 529 college savings plan, where people contribute into a retirement account that is professionally managed, how strongly would you support or oppose the plan? Would you...

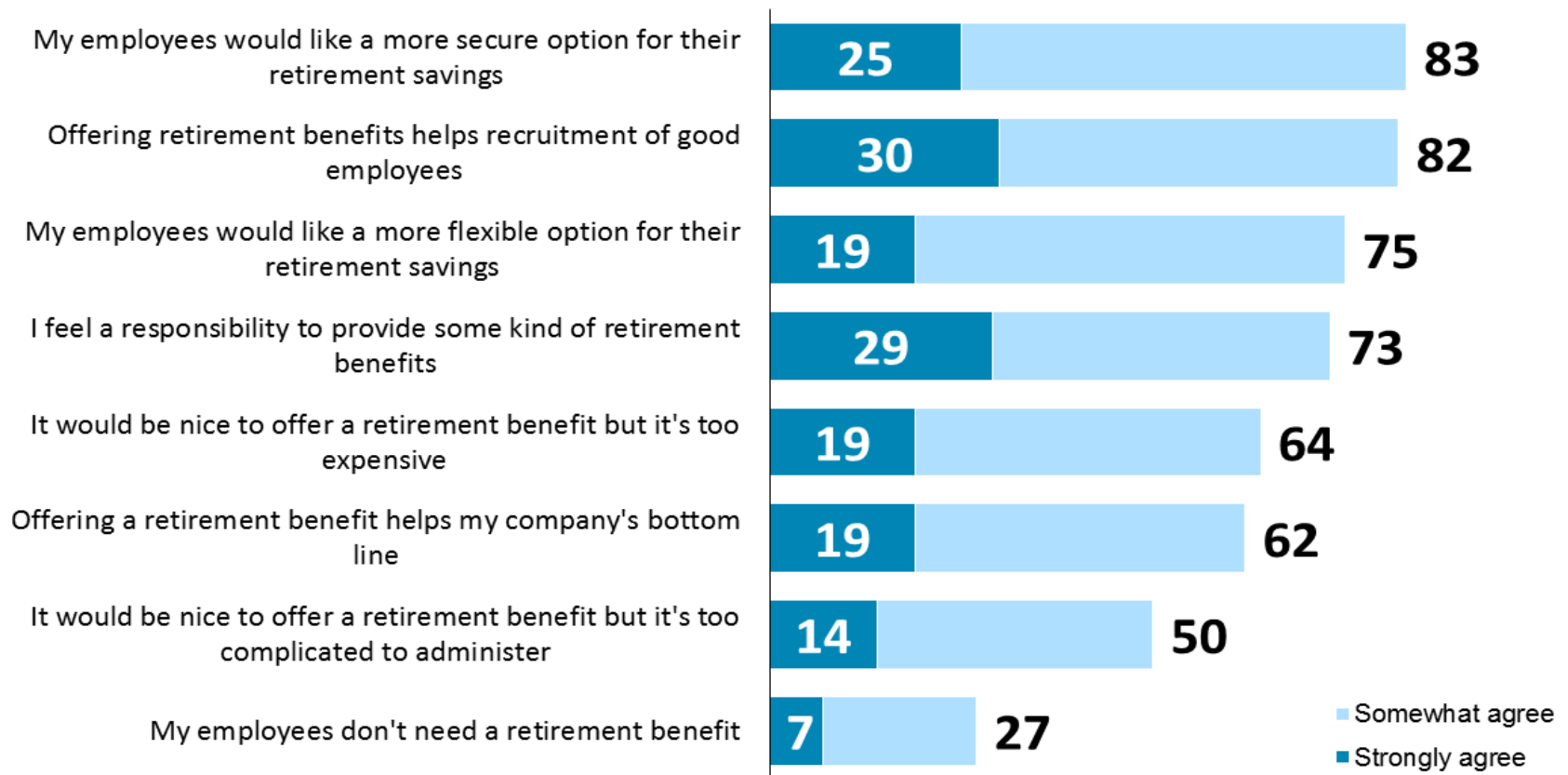


**70%
support**

Small Businesses Support Work and Save

Small business owners overwhelmingly agree that retirement benefits help recruit good employees

Percent Agree



Data from NCPERS

National Media Attention

The New York Times



BUSINESS DAY | RETIRING

Some States Look to Fill a Retirement Savings Gap



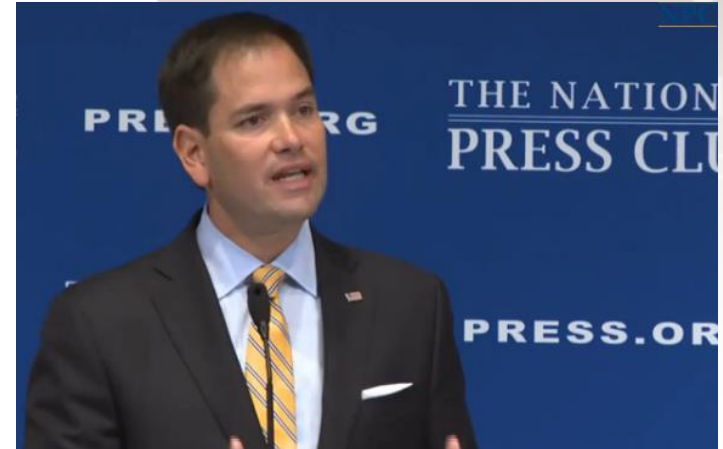
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Work and Save: Notable Action Throughout The Country

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“For me the **real concern is the millions of Americans who work somewhere that doesn’t offer a retirement savings vehicle**. Now, theoretically they can go into a financial institution, well not theoretically, they could go into a financial institution and apply for it... you know if you’re the fork lift operator at a family owned warehouse operation, you probably **neither have the time nor the inclination to go into your local financial institution** and apply for this, if you even make enough money to be able to save. So what I’m trying to do is **create an additional vehicle that is easy to access**, that allows people to put pretax money aside in a way that will compound over the years. And by the way, if they ever go somewhere that does offer a retirement plan, they can always roll that over into their new employers’ plan. I think it is critical that we create more awareness and more access to be able to put money aside in a pretax way for their retirement.”

~ **Senator Marco Rubio, Republican of Florida** on May 13, 2014



“Strengthening and growing the **middle class is the central focus** of our work, and ensuring the financial security of Maryland workers is a key part of that equation. I am pleased that the [Retirement Security] Task Force has now formally begun to tackle one of the toughest challenges facing our State: ensuring that Marylanders are able to **enjoy a stable and secure retirement**.”

~ **Governor Martin O'Malley, Democrat of Maryland** on August 8, 2014

Work and Save: A National Movement

- **Key Developments:**
West Virginia (VERA): Bipartisan support helped pass VERA bill in House
- **Indiana (SB 66):** Passed committee of referral unanimously, sponsored by a Republican
- Other states considering Work and Save:
Arizona, Wisconsin. 2015 additional states expected: **North Dakota, North Carolina, Kentucky, Georgia, South Carolina, Virginia, New Hampshire**



Questions?

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